

# Key Fact Document

## Minor Investment Plan Account

### Description of the product/service

The account could be opened in the name of a minor. Appropriate Investment plan scheme could be selected from the 04 different types available.

#### Minor Investment Plan Account – Monthly Deposit

- Parent/ Guardian could select any scheme from 03, 05 & 10-year investment plan schemes.
- Maximum age to start up
  - 03 year plan- Maximum age to start up is 15 years
  - 05 year plan- Maximum age to start up is 13 years
  - 10 year plan- Maximum age to start up is 08 years
- Minimum agreed monthly deposit amount is Rs.500/-. (Any deposit above the minimum monthly deposit amount should be in multiples of Rs.500/-)
- Parent/ guardian should deposit the agreed monthly deposit on the agreed date for the agreed period of time.  
(e.g.: Deposit Rs.1500 on the 20<sup>th</sup> of every month for 03 years starting from the 01<sup>st</sup> September 2021. The deposit date would be the date the investment plan account opened. (e.g: 20<sup>th</sup>)
- Bank will Guarantee the Payment Amount which would be paid at the time the minor reaching 18.

#### Minor Investment Plan Account – Lump-sum Deposit

- Minimum Deposit Rs.25,000/-
- Maximum age to start up - 15 years
- The Deposit Receipt indicating the guaranteed maturity proceeds would be issued at the time of opening the investment plan lump sum account.
- The deposit would mature when the child attains 18 years.

#### Minor Investment Plan Savings account

- Parent/ Guardian shall also open a Minor Investment Plan Savings account along with the Minor Investment Plan Account
- The initial deposit is Rs.500/-
- Minor Investment Plan account will be restricted for any transaction other than the bank induced transactions.
- Minor Investment Plan account upon minor reaching majority funds will be transferred to Minor Savings Account.
- Upon the minor reaching 18 years, Minor Savings account will be converted to HNB Youth Savings account.

### Financial and other benefits to customers including incentives and promotions

- Bank guarantee the maturity value of the investment plan.
- Interest rate applied for the investment plan would be fixed during the contracted period.

- Best option for targeted savings

### Cost to Customers – Fees/Charges, Commission, Interest etc.

- Interest rates would be updated in bank's official website [www.hnb.net](http://www.hnb.net)
- A late payment fee of 0.5% is applicable if the installment is in arrears for more than 14 days.
- Above charges are applicable and subsequent changes if any will be published in bank official website under service charges/Fees/commissions (<http://www.hnb.net>)

### Procedure to be followed to obtain the product/service

- Parent/ guardian can open the account.
- Documents required to open a Minor Investment Plan Account
- Minor Investment Plan Mandate signed by the Parent/Guardian.
  - Parent/guardian's name, NIC number/Valid Passport or Driver's License and the contact telephone number will be mandatory
  - Copy of the Minor's Birth Certificate (issued by the Government of Sri Lanka) or
  - Copy of the National Identity Card issued by Department of Registration of Persons, if available
  - or
  - If the Child is below 3 months of age -Confirmation of Birth, certified by the Hospital giving Mother's Name and Date of Birth of the child (Copy of the "Bed Head Ticket" issued by the Hospital which is used to obtain the Birth Certificate). And Birth certificate to be submitted within 3 months to the branch

### Key Terms & Conditions

1. The Parent/Guardian of a minor opening a Minor Investment Plan Account shall also open a Minor Investment Plan Savings Account
2. The beneficiary of the Accounts shall be the Minor who shall be termed as the Account Holder.
3. These Accounts shall not be opened in the joint names of two or more Minors.
4. The balances lying in the Minor Account/s cannot be assigned to the bank as security for advances.
5. Upon minor attaining majority, the Minor Investment Plan Account/ Minor Investment plan Savings account will be converted to HNB Youth Savings account.
6. Account/s are subject to any statutory taxes & levies prevailing during the period of deposit and the time of payment by the Bank to the depositor.
7. No withdrawals will generally be permitted from the Accounts until the Minor attains the age of majority. However, withdrawals could be permitted under the following circumstances with the satisfactory documentary evidence is furnished.
  - For the education of the child
  - For medical expenses of the child
  - Living Expenses of the child

In such instances the Minor Investment plan shall be cancelled and the agreed interest rate will not be applicable.
8. On opening Account/s, the Account Holder will be required to adhere to the rules governing the conduct of savings account, embodied in the savings pass book and, in the booklet, containing the general terms and conditions applicable for customer accounts dealings and transactions of Hatton National Bank PLC.

9. The Bank's Books, records and accounts shall be conclusive and binding. Any certificate, printout or statement of account issued by the Bank shall be final and conclusive evidence against customer of the correctness thereof in any legal proceeding or otherwise.
10. The Bank reserves to itself the right to alter or add to these rules at any time.

Minor Investment Plan Account with monthly deposit option

11. It is a requirement for the Monthly Deposit Amount to be made on the due date until the end of the agreed period of in order for the beneficiary to be entitled to the Interest Rate/Maturity/Guaranteed Value intimated to the Parent/Guardian at the time of opening the Account/s
12. A grace period of fourteen (14) days will be given to make the Monthly Deposit Amount. In the event the Monthly Deposit Amount is made after the grace period a charge shall be levied on the due Monthly Deposit Amount the rate of 6% p.a which rate may be subject to change at the discretion of the Bank and any amendment effected to the said rate the shall be published on HNB website at [www.hnb.net](http://www.hnb.net).
13. During the agreed monthly deposit period an account statement shall be sent monthly to the e-mail address given. In the event an e-mail address is not provided in this account opening application account statement shall be sent by post to the address provided bi-annually.
14. Upon completing the Agreed Period of Deposit as stated in this Application the balance lying in the Minor Investment Plan Account shall be automatically transferred to the Minor Investment Savings Account by the closure of the Minor Investment Plan Account and shall held in the Minor Investment Plan Savings Account until the Minor attains the age of Majority.
15. In the event the Monthly Deposit Amount is not made for a consecutive period of 3 months, the Minor Investment Plan Account shall be automatically cancelled and the balance lying in the said Account shall be transferred to the Minor Investment Savings Account. In such instances Minor Savings Rate will be paid from the date the Minor Investment Plan is commenced.

Minor Investment Plan Account with Lump-sum deposit option

16. For Minor Investment plan accounts opened with lump sum deposits, a Minor Investment Plan Deposit receipt shall be issued in the name of the Minor indicating the maturity/guaranteed value. The Maturity/ Guaranteed value will be automatically transferred to the Minor Investment Savings account at the maturity of the investment plan account